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United States Attorney
District of Hawaii

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FILED IN THE
UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

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John A. Mannle, Clerk

Attorneys for Plaintiff
UNITED STATES OF AMERICA

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA,)	CR. NO. 22-00072 DKW
)	
Plaintiff,)	INFORMATION
)	
vs.)	[18 U.S.C. §§ 1349, 1343, 1346]
)	
STEWART OLANI STANT,)	
)	
Defendant.)	
)	
)	

INFORMATION

The United States Attorney charges:

INTRODUCTORY ALLEGATIONS

1. At all times relevant to this Information:
 - a. STEWART OLANI STANT (STANT) was an employee of the Maui County Department of Environmental Management (DEM). STANT served as a manager of the Wastewater Reclamation Division of the DEM from at least October 2012 to December 2015. In December of 2015, STANT was appointed by the Mayor of Maui to act as the Director of the DEM, a position he held until December of 2018.
 - b. The County of Maui was a county in the State of Hawaii, and was comprised of three populated islands (Maui, Lanai and Molokai) and two unpopulated islands (Kaho‘olawe and Molokini). It was governed by a Mayor and a County Council. Each Maui County governmental department was managed by a Director, who was in turn assisted by an Assistant Director.
 - c. The DEM directed and oversaw operations of its three subdivisions: the Wastewater Reclamation Division, the Solid Waste Division and the Environmental Protection and Sustainability Division.
 - e. H2O Process Systems, LLC (“H2O”), a Honolulu, Hawaii based company, provided various wastewater services, including distributing, installing,

and consulting on various wastewater equipment and parts. H2O was formed in Washington in 2001, and has been registered in the State of Hawaii since 2008.

f. Milton Choy (“Choy”) (charged separately) was the owner and manager of H2O and Central Pacific Controls, LLC (“CPC”). Choy, through his respective companies, conducted millions of dollars of business with DEM, providing wastewater treatment equipment and services.

g. Receipt of Gifts by Maui County Officials and Employees.

The Charter of Maui County, Article 10, Code of Ethics, Section 10-4.1.a, provided: “No officer or employee of the county shall solicit, accept or receive any gift; directly or indirectly, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise, or in any other form, under circumstances in which it can reasonably be inferred that the gift is intended to influence the officer or employee in the performance of the officer’s or employee’s official duties or is intended as a reward for any official action on the officer’s or employee’s part.”

h. Financial Disclosure Statements. The Charter of Maui County, Article 10, Code of Ethics, Section 10-3 provided that “[A]ll elected county officers, all candidates for elective county office, and such appointed officers or other employees as the council shall designate by ordinance shall file with the board of ethics and the county clerk financial disclosure statements in a form or

forms to be prescribed by the board of ethics. Such financial disclosure statements shall be open to public inspection.”

i. Maui County Board of Ethics Rules. The Maui County Board of Ethics (MCBOE) enacted rules that provided: “[a]ll elected and appointed public officers shall file public financial disclosure statements with the county clerk.” MC Board of Ethics Rules Section 04-101-41(b). MCBOE Rules Section 04-101-42 further provided that the financial disclosure statement must include, in part, “[a] description of any gift or gifts, valued singly, or in the aggregate at \$50 or more, from any single source, received directly or indirectly by the person, ...within the preceding 12 months”. Additionally, all Maui County officials and employees had an ethical duty to report the receipt of any gifts or financial benefits in excess of \$50.

j. STANT maintained bank accounts with Bank of Hawaii (BOH) and American Savings Bank (ASB). BOH account #6906 (BOH #6906) was STANT’s personal bank account. ASB account # 4454 (ASB #4454) was the bank account of S and S Unlimited LLC (SS LLC), a private business owned and operated by STANT.

Conspiracy to Deprive the Public of Their Right to Honest Services
(18 U.S.C. § 1349)

2. The introductory allegations set forth in paragraphs 1(a)-(j) are realleged and incorporated by reference as if fully set forth herein.

3. From in or about October, 2012 through in or about December 31, 2018, in the District of Hawaii and elsewhere, the defendant, STEWART OLANI STANT, together with Milton Choy, charged separately elsewhere, and others known and unknown, did knowingly and unlawfully conspire, confederate, and agree together, and with each other, to participate in a scheme and artifice to defraud the citizens and people of Maui County, Hawaii, and the DEM, of their intangible right to STEWART OLANI STANT's honest services through bribery, by means of materially false and fraudulent pretenses, representations, promises, and material omissions, and for the purpose of executing the scheme and artifice to defraud, to knowingly cause to be transmitted by means of wire communications in interstate commerce signals and sounds, that is, emails, text messages and interstate bank deposits, in violation of Title 18, United States Code, Sections 1343 and 1346.

MANNER AND MEANS OF THE CONSPIRACY

4. The conspiracy was carried out through the following manner and means, among others:

a. Between October 2012 and December 2018, Choy provided STANT with over \$2,000,000 in financial benefits and gifts, including direct deposits into STANT's bank accounts, cash, gambling chips, travel and hotel benefits.

b. In return for the moneys, funds and financial benefits provided to STANT by Choy, STANT improperly directed lucrative wastewater service and equipment contracts to Choy and his company H2O.

c. Choy employed a number of methods to bribe STANT, including making direct deposits of funds into bank accounts owned by STANT, making cash deposits into those accounts, directly handing cash and checks to STANT, providing STANT with gambling chips on mutual trips to Las Vegas, which Choy also funded in part, and by providing STANT with airfare and hotel rooms.

d. In return for these financial gifts, STANT used his position first as a Wastewater manager for DEM, and later as the Director of DEM, to steer and award sole source contracts to H2O.

e. Between October 2012 and December 2018, STANT assisted in directing at least 56 sole source contracts to H2O and Choy with a value of nearly \$20,000,000.

f. While employed as a manager at the DEM, STANT purposefully failed to notify anyone employed by the DEM, or the Maui County government, that he was receiving financial gifts and benefits from Choy, who was conducting, and seeking to conduct, business with Maui County. Through this critical omission, STANT concealed from Maui County officials, and the DEM, information that would have revealed that he was corruptly directing, and endeavoring to direct, sole source contracts to H2O for personal financial gain.

g. While employed as the Director of the DEM, STANT, in violation of the Maui County ethical rules, purposefully failed to declare any of the money and financial benefits provided to him by Choy on his 2016, 2017 and 2018 financial disclosure forms. Through this critical omission, STANT willfully concealed from the citizens of Maui County, and the DEM, information that would have disclosed his corrupt acceptance of bribes for directing, and endeavoring to direct, sole source contracts to H2O for personal financial gain. STANT's Financial Disclosure Statements filed with the Maui County clerk falsely reported that he had received no gifts or items valued over the annual sum of \$50. In truth and fact, STANT had received hundreds of thousands of dollars of financial rewards and gifts during years 2016, 2017 and 2018 from Choy as bribes to ensure the issuance of sole source contracts to H2O.

h. In order to further conceal his illicit and corrupt activities, STANT filed false federal income tax returns that deliberately and willfully failed to report the hundreds of thousands of dollars in income and financial benefits STANT received from Choy from 2012 through 2018.

OVERT ACTS

5. In furtherance of the conspiracy, and to effect its objects and purposes, STANT, and his co-conspirators, committed the following overt acts, among others, in the District of Hawaii and elsewhere:

a. On or about the dates alleged below, Choy bribed STANT by depositing checks or directing deposits into STANT's bank accounts in the following amounts:

	Date	Amount	Description of Deposit into STANT's Bank Account
1	10/25/12	\$18,000	Funds directed into BOH #6906
2	5/20/13	\$9,000	Check into BOH #6906
3	5/28/13	\$9,000	Check into BOH #6906
4	6/10/13	\$17,000	Check into ASB #4058
5	7/31/13	\$6,000	Funds directed into BOH #6906
6	8/14/13	\$59,560	Funds directed into BOH #6906
7	10/21/13	\$16,000	Funds directed into BOH #6906
8	12/4/13	\$9,450	Check into BOH #6906
9	12/20/13	\$40,000	Check into BOH #6906
10	1/29/14	\$17,000	Check into BOH #6906
11	2/7/14	\$14,000	Check into ASB #4454
12	2/28/14	\$36,002	Check into BOH #6906
13	3/25/14	\$23,400	Check into BOH #6906
14	4/3/14	\$16,600	Check into BOH #6906

	Date	Amount	Description of Deposit into STANT's Bank Account
15	4/28/14	\$25,000	Check into BOH #6906
16	5/15/14	\$22,900	Check into BOH #6906
17	5/30/14	\$26,490	Check into BOH #6906
18	6/16/14	\$12,874	Check into BOH #6906
19	6/23/14	\$12,374	Check into BOH #6906
20	7/9/14	\$7,056	Check into BOH #6906
21	8/4/14	\$13,600	Check into BOH #6906
22	8/13/14	\$15,503	Check into BOH #6906
23	9/10/14	\$11,000	Check into BOH #6906
24	9/24/14	\$23,000	Check into BOH #6906
25	10/27/14	\$19,987	Check into BOH #6906
26	11/6/14	\$5,000	Funds directed into BOH #6906
27	3/3/15	\$5,000	Check into BOH #6906
28	3/10/15	\$7,000	Funds directed into BOH #6906
29	3/25/15	\$59,980	Check into BOH #6906
30	4/23/15	\$11,400	Check into BOH #6906
31	5/20/15	\$22,000	Check into BOH #6906
32	6/11/15	\$15,000	Check into BOH #6906
33	8/25/15	\$6,000	Funds directed into BOH #6906
34	3/14/16	\$9,000	Funds directed into BOH #6906
35	3/15/16	\$9,000	Funds directed into BOH #6906
36	11/30/16	\$55,000	Check into BOH #6906
37	12/20/16	\$4,000	Check into BOH #6906
38	3/24/17	\$8,000	Funds directed into BOH #6906
39	5/22/17	\$5,000	Funds directed into BOH #6906
40	3/16/18	\$6,000	Funds directed into BOH #6906
41	4/27/18	\$5,000	Funds directed into BOH #6906
42	9/11/18	\$2,000	Funds directed into BOH #6906
43	9/24/18	\$18,000	Funds directed into BOH #6906

TOTAL \$733,176

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b. On or about the dates alleged below, Choy deposited or caused the deposit of the following sums of currency into bank accounts controlled and owned by STANT:

	Date	Amount	STANT's Bank Account
1	10/25/2012	\$5,000	BOH #6906
2	12/6/2012	\$8,000	BOH #6906
3	5/16/2013	\$5,000	BOH #6906
4	6/10/2013	\$4,000	ASB #4058
5	6/28/2013	\$3,000	ASB #4454
6	6/28/2013	\$5,000	BOH #6906
7	7/31/2013	\$1,000	BOH #6906
8	8/14/2013	\$3,000	ASB #4454
9	9/9/2013	\$4,000	ASB #4454
10	9/9/2013	\$5,000	BOH #6906
11	9/23/2013	\$5,000	ASB #4454
12	9/23/2013	\$8,000	BOH #6906
13	10/8/2013	\$4,000	ASB #4454
14	10/31/2013	\$1,000	BOH #6906
15	11/1/2013	\$3,500	ASB #4454
16	11/1/2013	\$1,000	BOH #6906
17	11/26/2013	\$5,000	BOH #6906
18	2/20/2014	\$6,000	BOH #6906
19	2/25/2014	\$7,000	BOH #6906
20	3/3/2014	\$1,000	ASB #4058
21	4/1/2014	\$1,000	ASB #4454
22	5/1/2014	\$1,000	ASB #4058
23	8/29/2014	\$1,000	ASB #4058
24	9/19/2014	\$8,000	BOH #6906

	Date	Amount	STANT's Bank Account
25	9/22/2014	\$8,000	ASB #4058
26	9/24/2014	\$5,000	ASB #4454
27	10/1/2014	\$1,000	ASB #4058
28	10/3/2014	\$2,000	ASB #4454
29	10/3/2014	\$1,000	BOH #6906
30	10/8/2014	\$2,500	BOH #6906
31	11/24/2014	\$6,000	ASB #4058
32	11/24/2014	\$9,000	BOH #6906
33	12/11/2014	\$10,000	ASB #4454
34	12/12/2014	\$10,000	ASB #4058
35	12/12/2014	\$10,000	BOH #6906
36	1/30/2015	\$1,000	ASB #4058
37	2/5/2015	\$9,000	BOH #6906
38	2/10/2015	\$1,900	ASB #4454
39	2/27/2015	\$1,000	ASB #4058
40	4/1/2015	\$1,000	ASB #4058
41	5/1/2015	\$1,000	ASB #4058
42	6/1/2015	\$1,000	ASB #4058
43	6/12/2015	\$1,000	ASB #4454
44	6/25/2015	\$5,000	ASB #4454
45	6/25/2015	\$7,500	ASB #4058
46	6/25/2015	\$8,500	BOH #6906
47	6/26/2015	\$8,500	BOH #6906
48	7/6/2015	\$5,000	BOH #6906
49	7/30/2015	\$4,000	BOH #6906
50	8/3/2015	\$1,000	ASB #4058
51	9/17/2015	\$11,500	ASB #4025
52	9/17/2015	\$5,000	ASB #4454
53	9/17/2015	\$20,000	BOH #6906

	Date	Amount	STANT's Bank Account
54	9/18/2015	\$9,000	BOH #6906
55	10/21/2015	\$7,000	BOH #6906
56	10/28/2015	\$8,000	BOH #6906
57	12/2/2015	\$9,000	BOH #6906
58	12/11/2015	\$9,000	ASB #4025
59	12/11/2015	\$9,000	ASB #4454
60	12/11/2015	\$20,000	BOH #6906
61	12/14/2015	\$3,500	BOH #6906
62	1/19/2016	\$4,000	ASB #4025
63	1/19/2016	\$6,000	ASB #4454
64	1/19/2016	\$9,000	BOH #6906
65	1/21/2016	\$5,000	BOH #6906
66	2/2/2016	\$1,000	ASB #4025
67	2/9/2016	\$1,870	ASB #4025
68	2/12/2016	\$2,000	BOH #6906
69	2/19/2016	\$2,500	BOH #6906
70	3/3/2016	\$6,700	ASB #4454
71	4/8/2016	\$2,000	BOH #6906
72	5/9/2016	\$6,000	BOH #6906
73	5/11/2016	\$9,000	BOH #6906
74	5/20/2016	\$5,000	ASB #4454
75	5/26/2016	\$5,000	BOH #6906
76	7/1/2016	\$9,000	ASB #4025
77	7/1/2016	\$10,000	BOH #6906
78	7/5/2016	\$7,000	BOH #6906
79	7/5/2016	\$9,000	BOH #6906
80	9/7/2016	\$1,200	ASB #4025
81	9/7/2016	\$3,000	BOH #6906
82	9/15/2016	\$6,000	ASB #4454

	Date	Amount	STANT's Bank Account
83	9/15/2016	\$3,000	ASB #4454
84	9/15/2016	\$9,000	BOH #6906
85	9/16/2016	\$9,000	ASB #4025
86	9/16/2016	\$9,000	BOH #6906
87	11/21/2016	\$1,000	ASB #4025
88	12/20/2016	\$6,900	BOH #6906
89	1/6/2017	\$3,500	ASB #4025
90	1/17/2017	\$9,000	BOH #6906
91	1/18/2017	\$9,000	BOH #6906
92	1/19/2017	\$9,000	BOH #6906
93	2/14/2017	\$1,000	ASB #4454
94	2/28/2017	\$9,000	BOH #6906
95	4/18/2017	\$1,200	ASB #4025
96	5/1/2017	\$9,000	ASB #4025
97	5/3/2017	\$8,000	ASB #4025
98	5/3/2017	\$1,000	BOH #6906
99	6/19/2017	\$5,000	BOH #6906
100	6/29/2017	\$9,000	ASB #4025
101	6/29/2017	\$9,000	ASB #4454
102	6/29/2017	\$9,000	BOH #6906
103	7/3/2017	\$9,000	ASB #4025
104	7/7/2017	\$2,500	BOH #6906
105	9/1/2017	\$2,000	BOH #6906
106	9/18/2017	\$5,000	ASB #4025
107	9/18/2017	\$2,500	BOH #6906
108	9/26/2017	\$9,000	ASB #4025
109	9/26/2017	\$9,000	BOH #6906
110	9/27/2017	\$9,000	ASB #4454
111	10/31/2017	\$1,800	ASB #4025

	Date	Amount	STANT's Bank Account
112	11/2/2017	\$1,000	ASB #4454
113	12/22/2017	\$3,000	BOH #6906
114	1/8/2018	\$7,000	ASB #4025
115	1/11/2018	\$6,000	BOH #6906
116	1/26/2018	\$3,500	ASB #4025
117	5/22/2018	\$6,000	BOH #6906
118	10/19/2018	\$1,000	BOH #6906

TOTAL	<u>\$644,570</u>
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c. Between October 2012 and December 2018, STANT, as a wastewater manager, or the Director of DEM, signed, caused to be signed, or caused to be issued, at least 56 sole source and other contracts with H2O as the contractor agreeing to provide goods and services to DEM. The face value of these contracts was approximately \$19,316,930.

d. For the purpose of executing the charged scheme, STANT and Choy frequently caused interstate wire transmissions to occur, including interstate text messages, emails and interstate banking transactions.

All in violation of Title 18, United States Code, Section 1349.

FORFEITURE NOTICE

14. Upon conviction of the offense alleged in this Information, the defendant, STEWART OLANI STANT, shall forfeit to the United States of

America, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to those offenses. The property to be forfeited includes, but is not limited to, the following:

- i. a sum of money equal to \$2,000,000 which represents proceeds obtained by the defendant, STEWART OLANI STANT, as a result of his participation in the unlawful conduct alleged in the Information.

DATED: August 31, 2022 at Honolulu, Hawaii.

Clare E. Connors

for CLARE E. CONNORS
United States Attorney
District of Hawaii

Kim Sorenson

KENNETH M. SORENSON
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